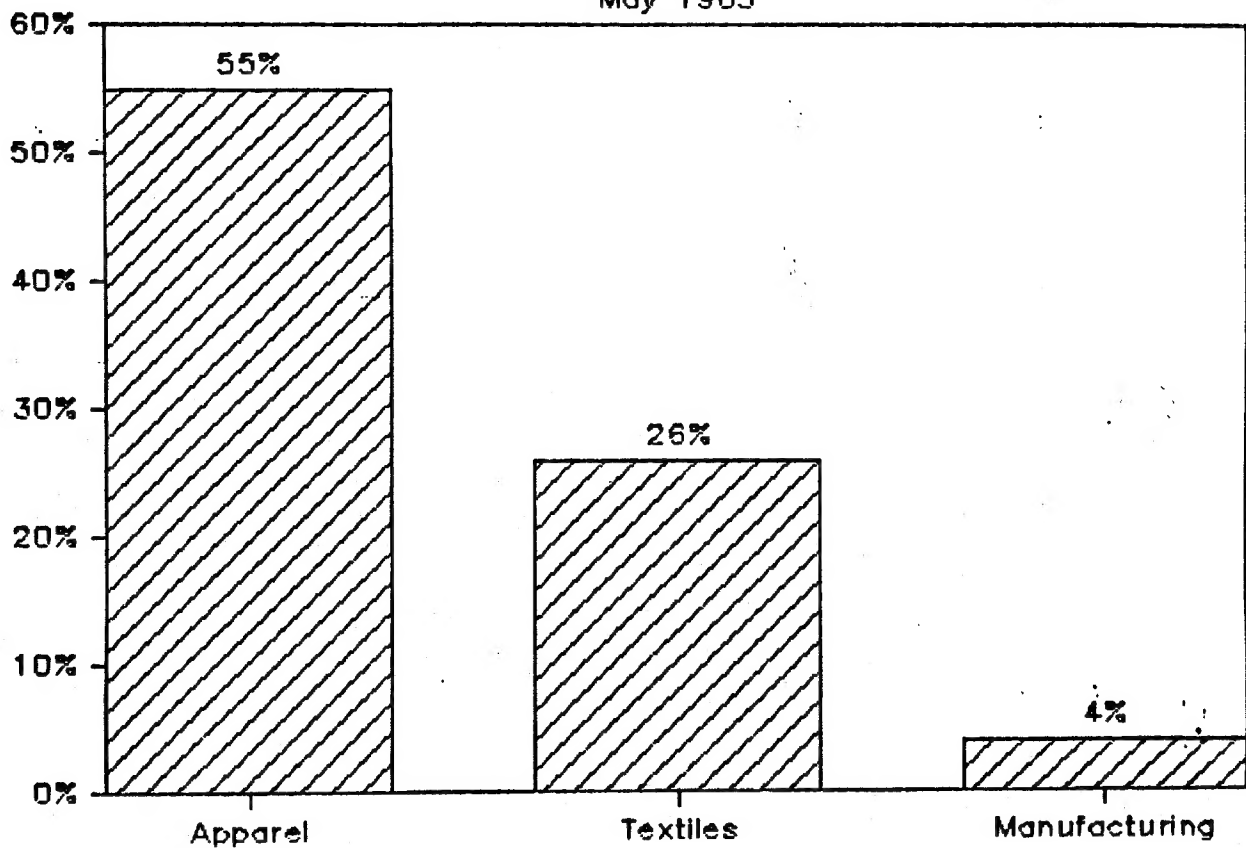


Tariffs and Tariff Equivalents

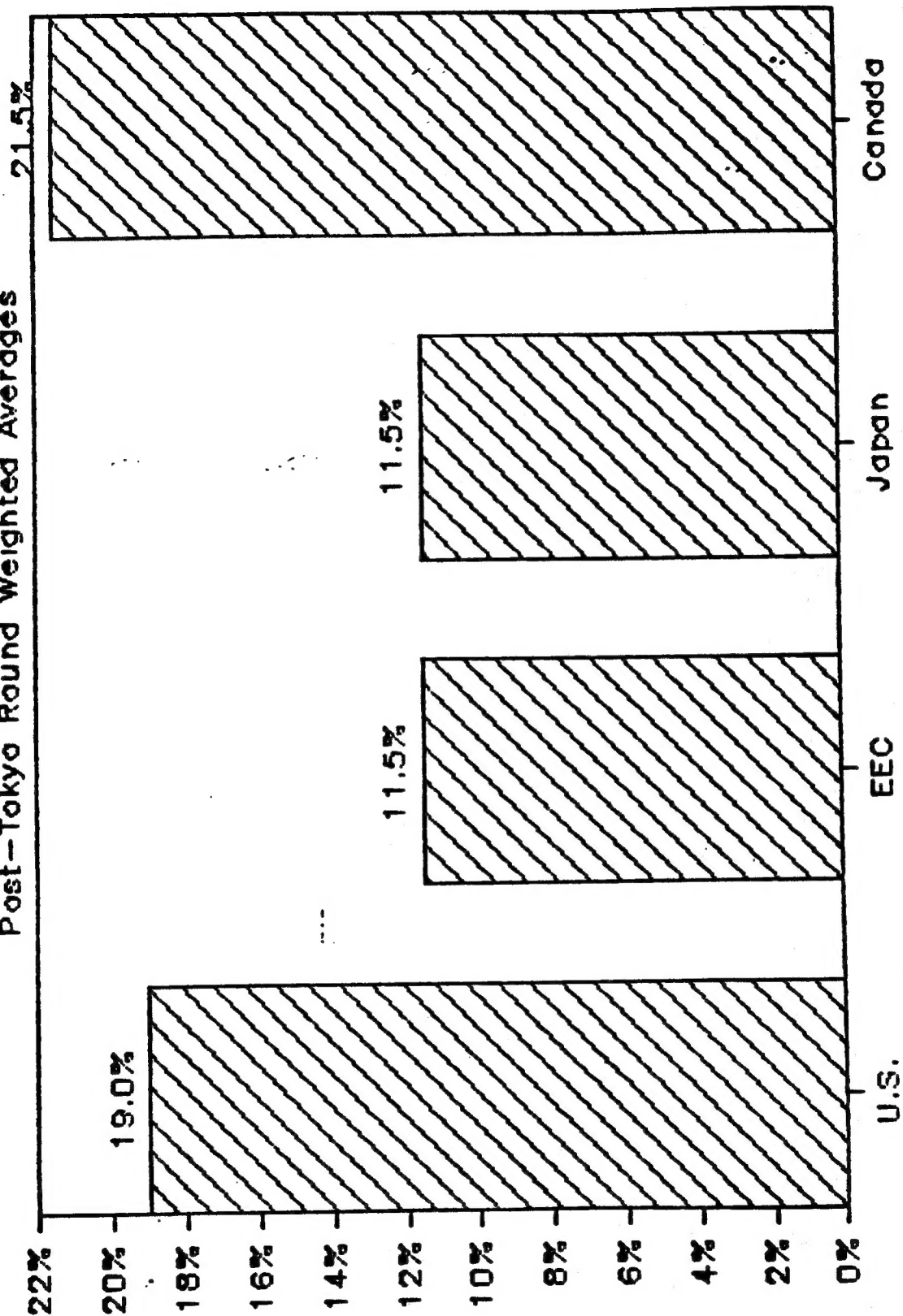
May 1985



Textiles and Apparel are the most protected manufacturing industries. Tariff equivalents in textiles and apparel are 55% and 26% respectively. The average tariff in all other manufacturing industries is less than 4%.

Tariffs on Textiles & Apparel

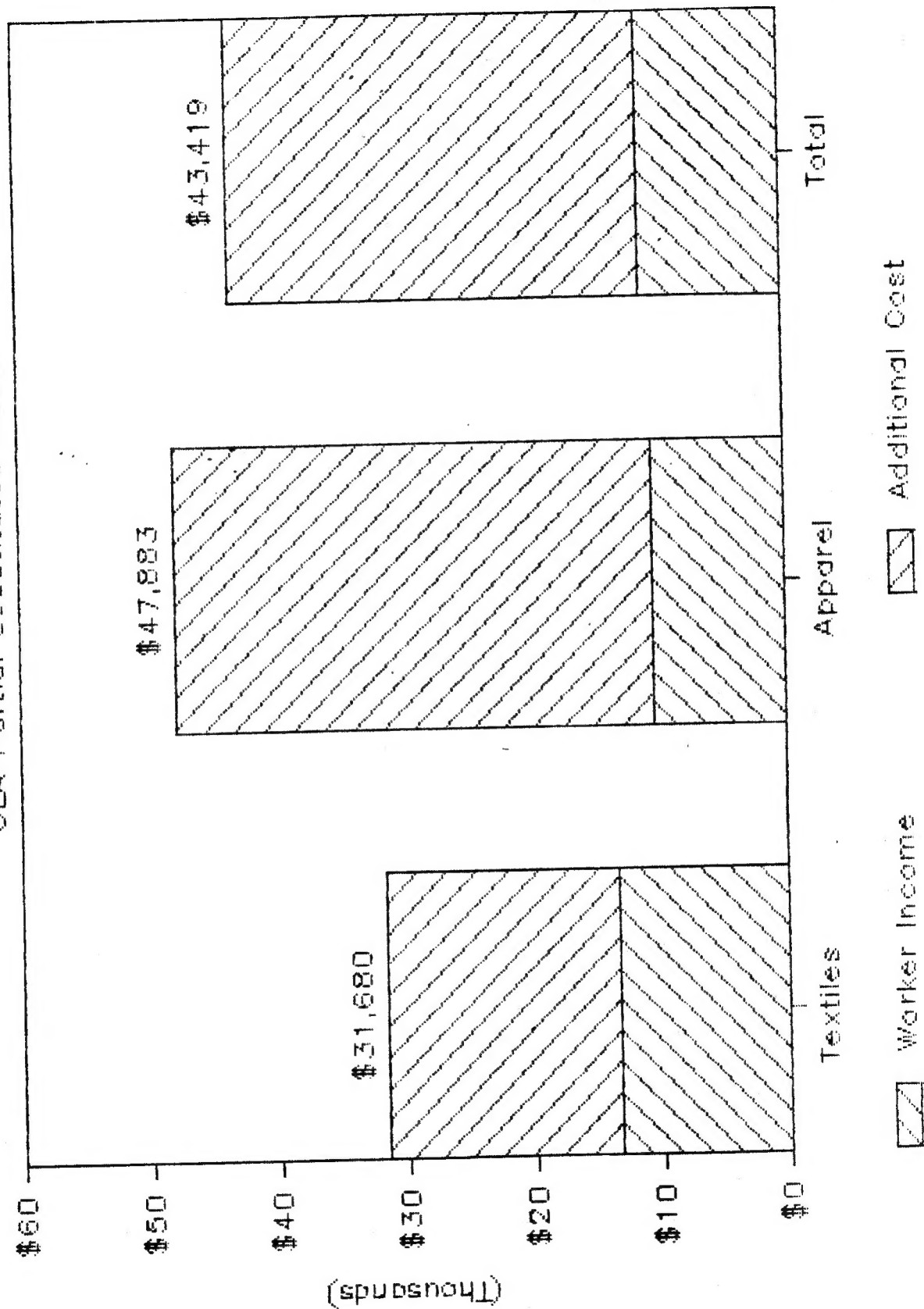
Post-Tokyo Round Weighted Averages



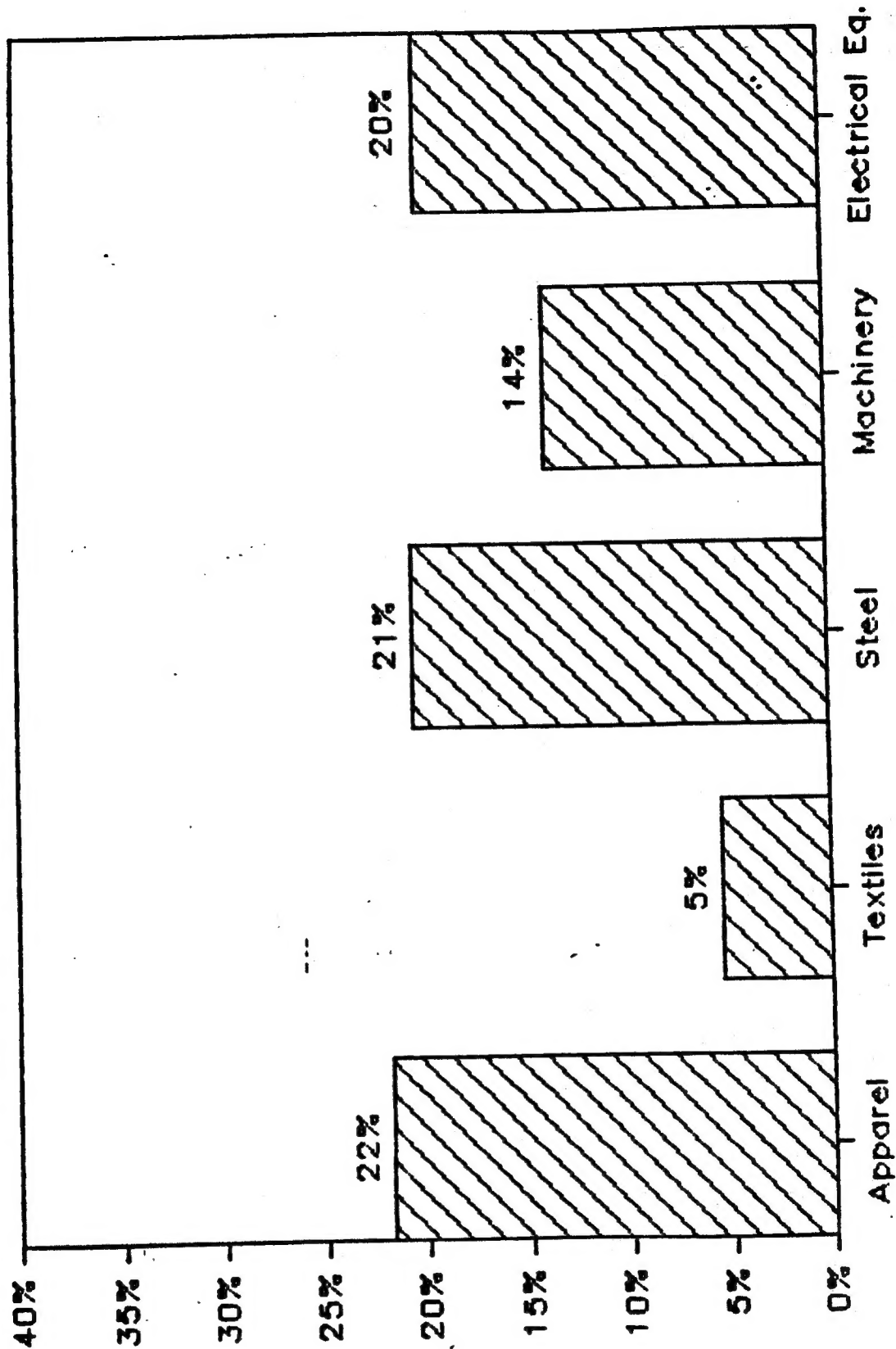
Our tariffs in textiles and apparel are higher than those of Japan or the EC.

Cost per Job vs. Worker Income

CEA Partial Substitutes Model

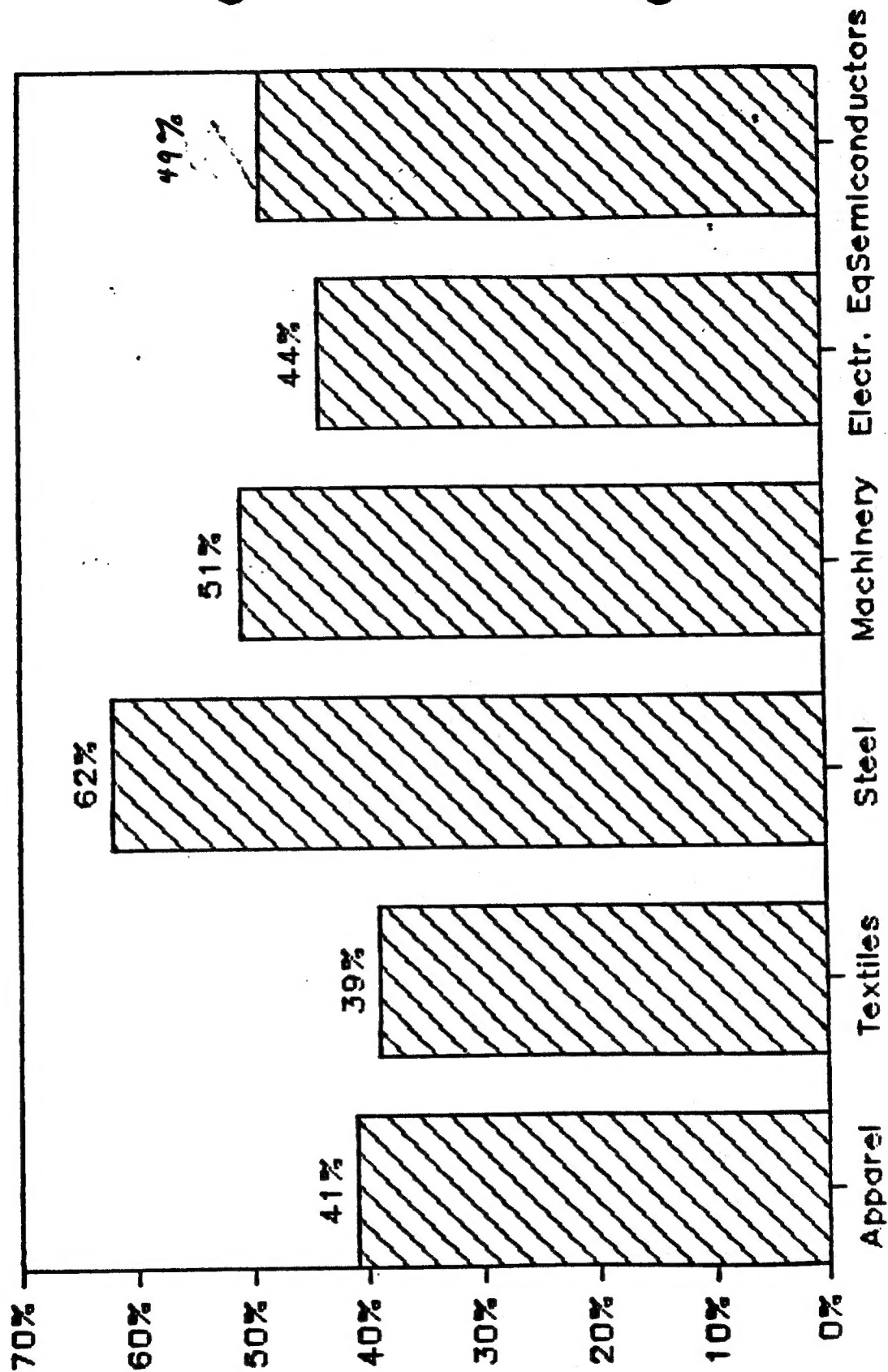


1984 Import Penetration



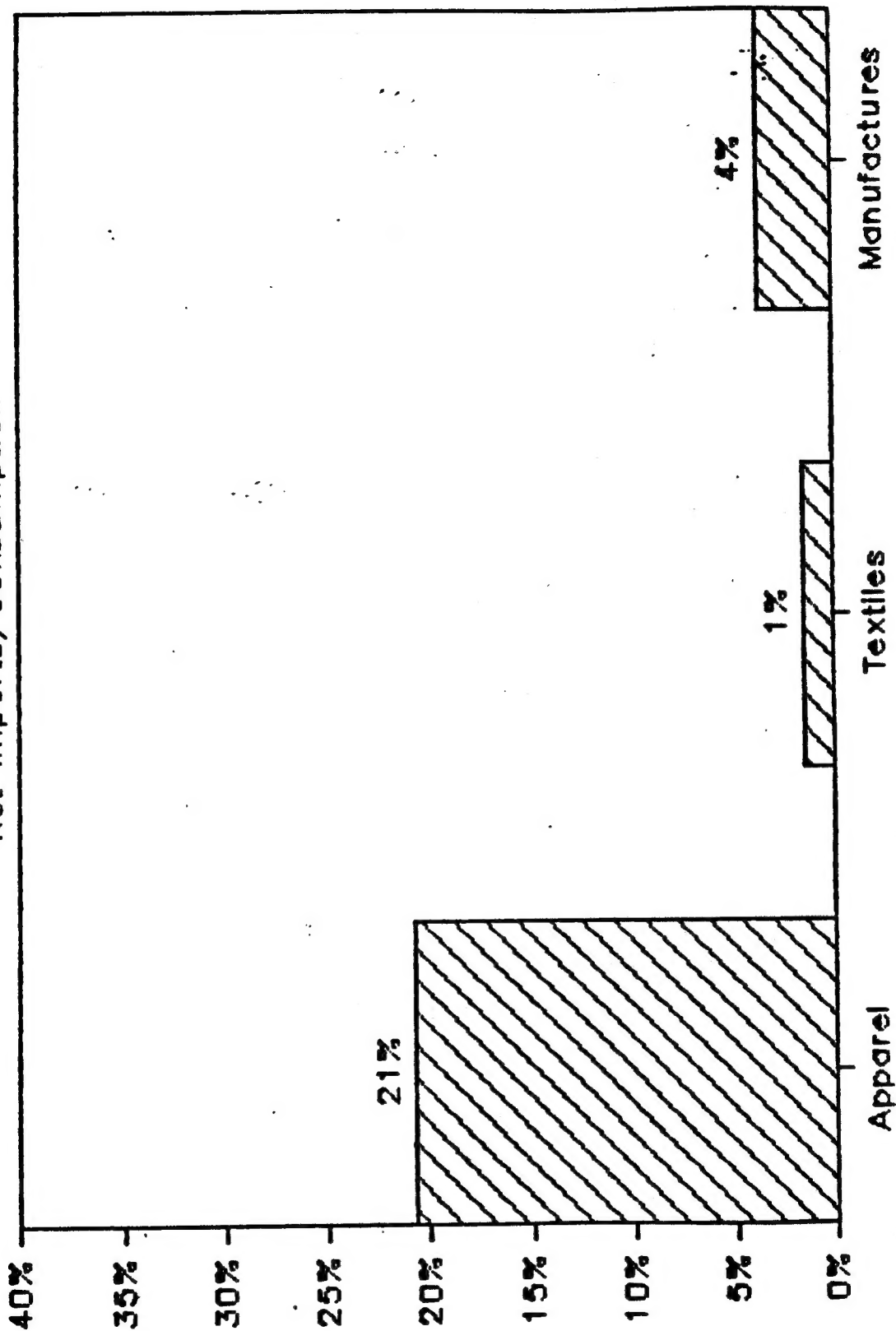
Import penetration in textiles and apparel is moderate; the 5% import penetration in textiles and the 22% import penetration in apparel compare favorably with many other industries.

Growth Rate of Imports 1983-84



Recent increases in textile and apparel imports are comparable in size to increases in manufacturing imports as a whole.

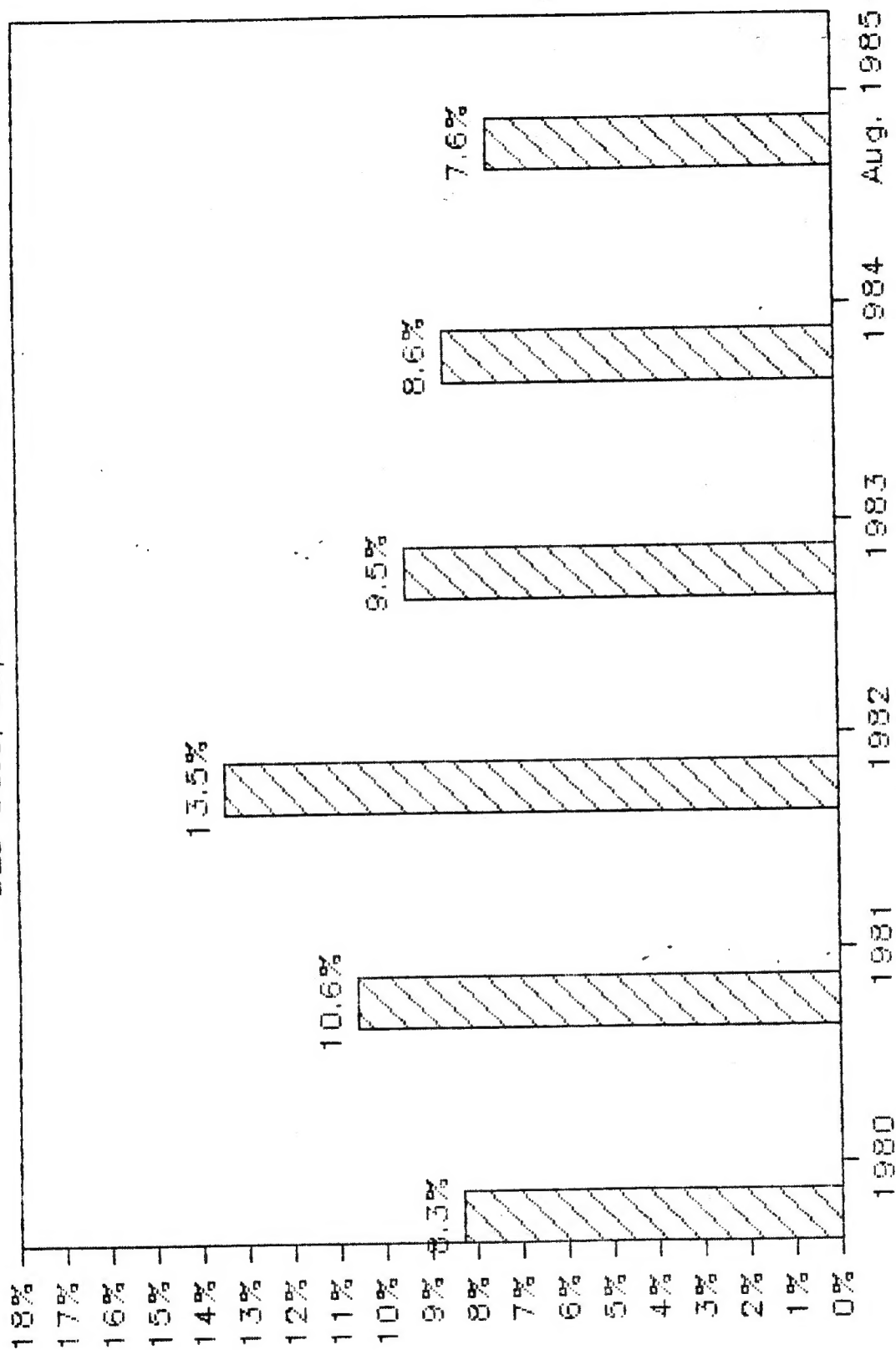
Trade Deficits Net Imports/Consumption



Textiles is much more competitive than apparel. The U.S. trade deficit in textiles is a smaller share of output than the trade deficit in manufacturing.

Unemployment in Textiles

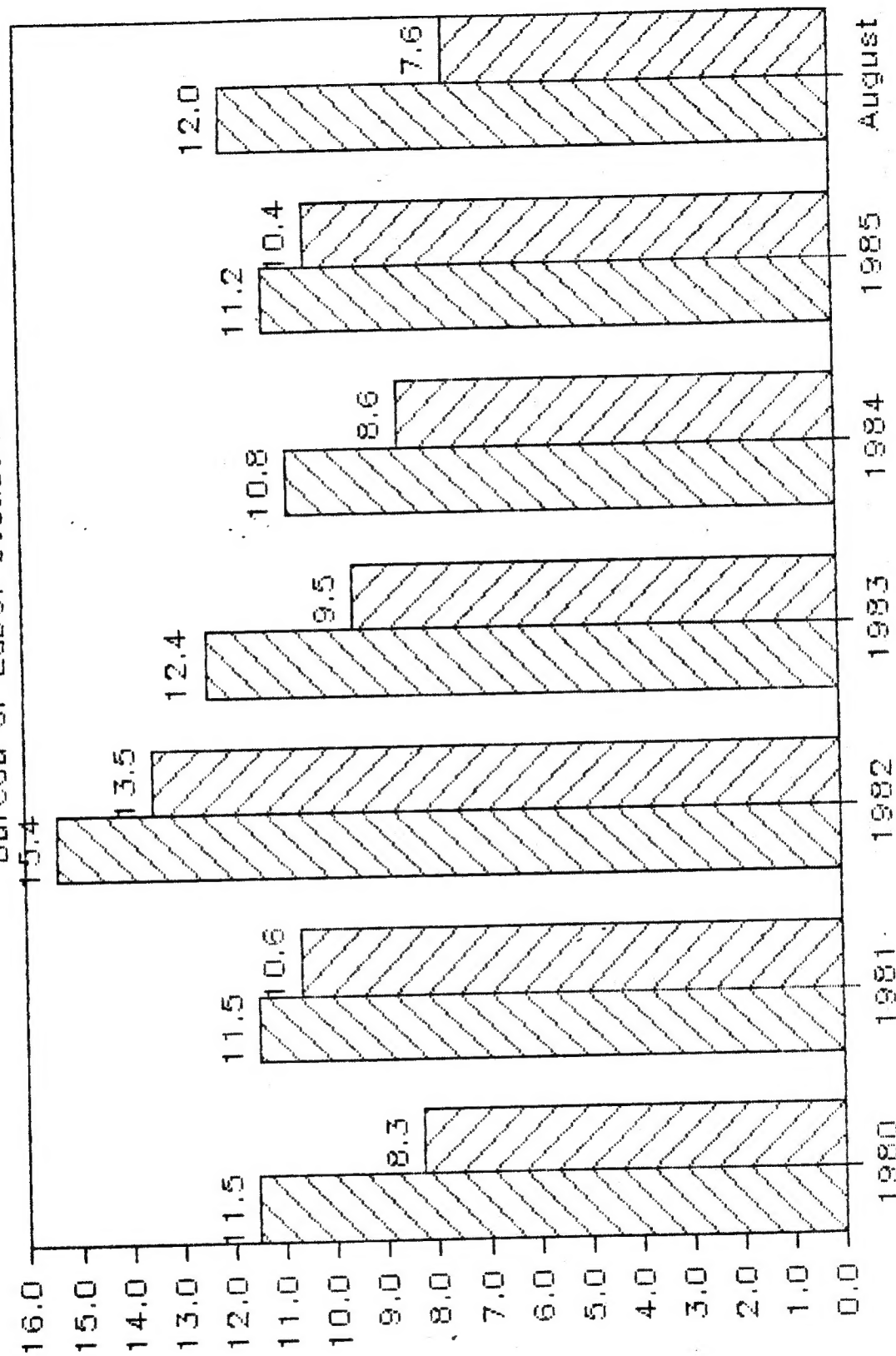
BLS Data, September 6, 1985



Even the most recent data show a decline in the textile industry unemployment rate.

Unemployment Rates

Bureau of Labor Statistics

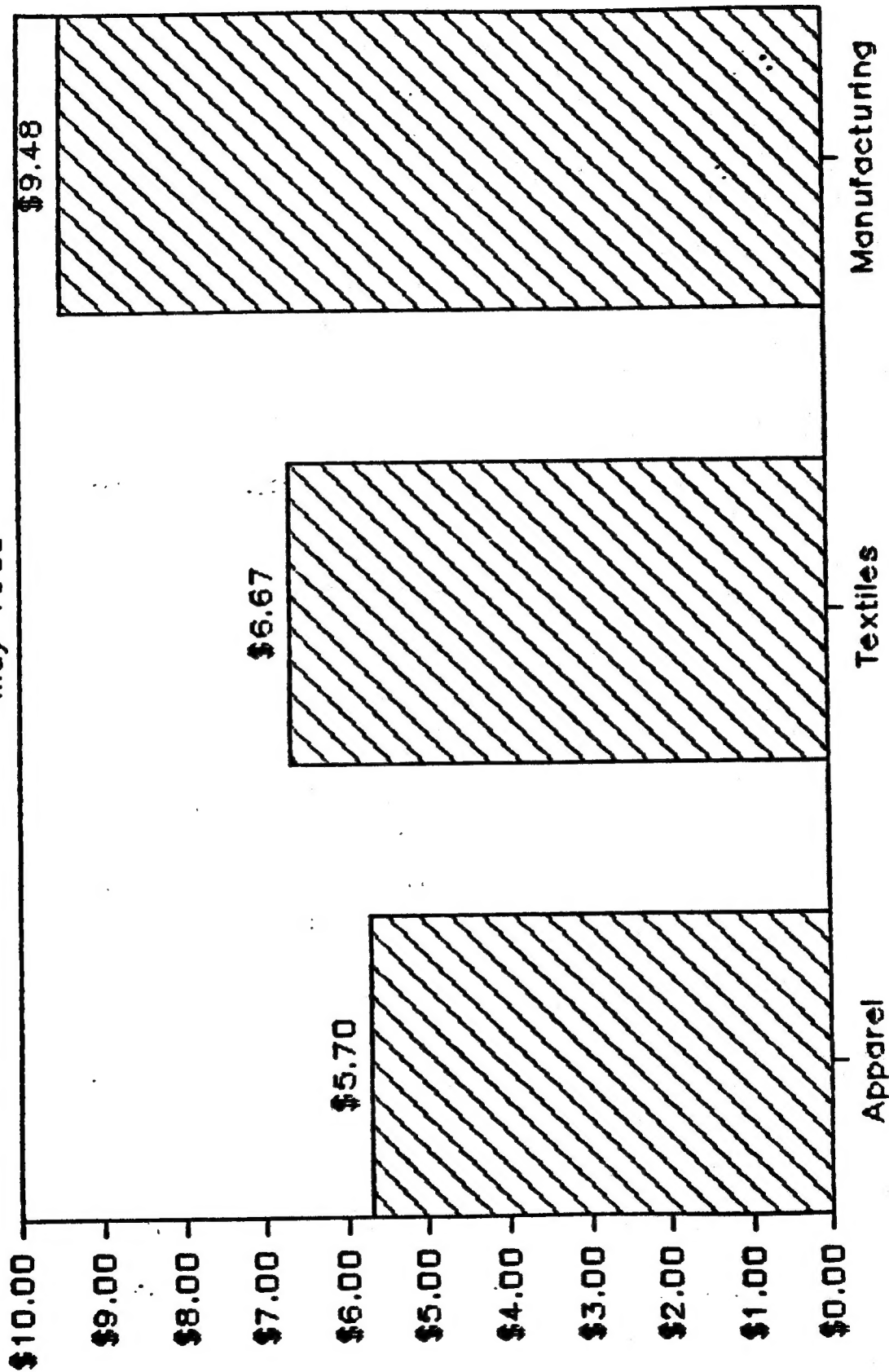


Apparel Textiles

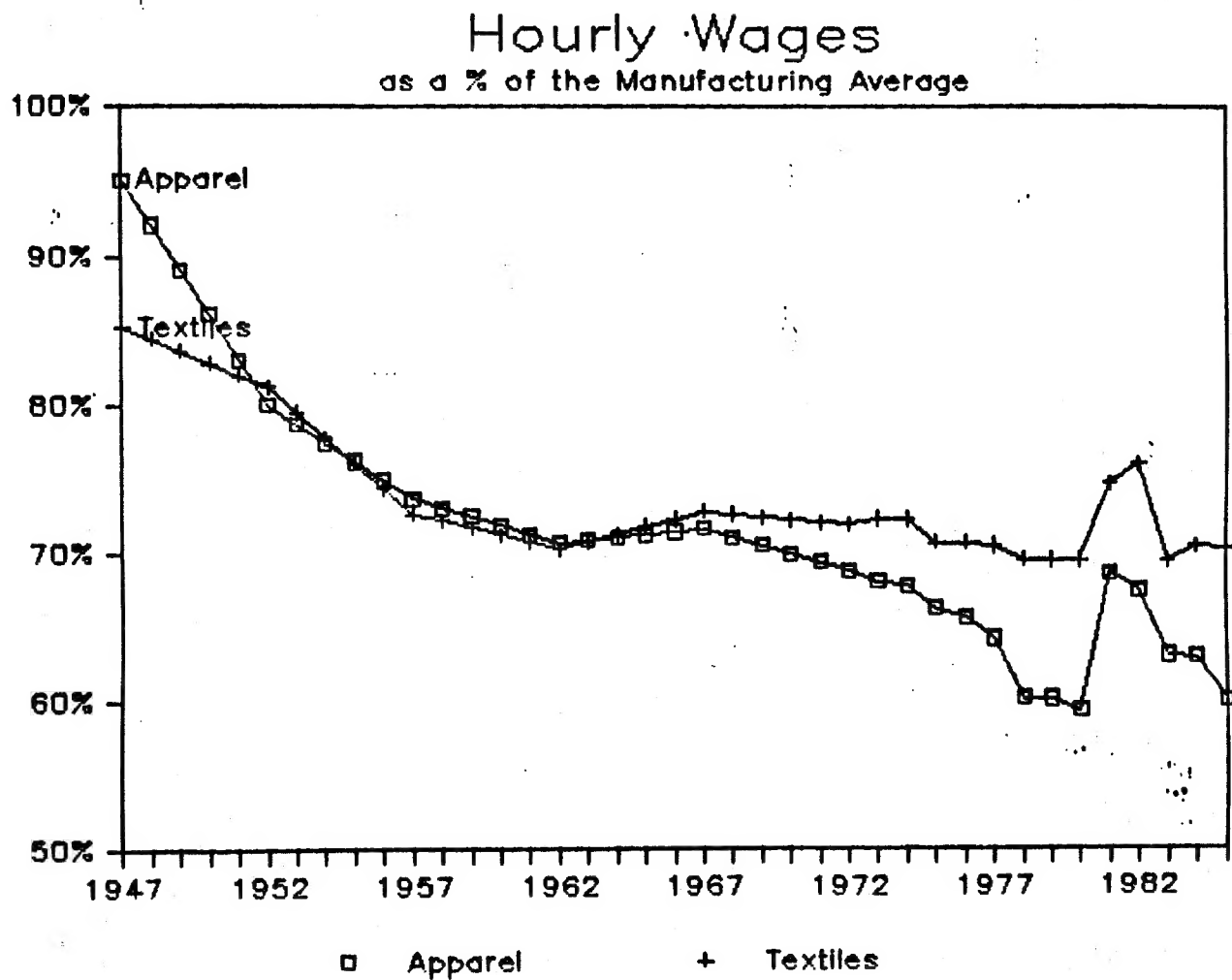
The unemployment rates in both textiles and apparel are at normal levels for their industries.

Hourly Wages

May 1985



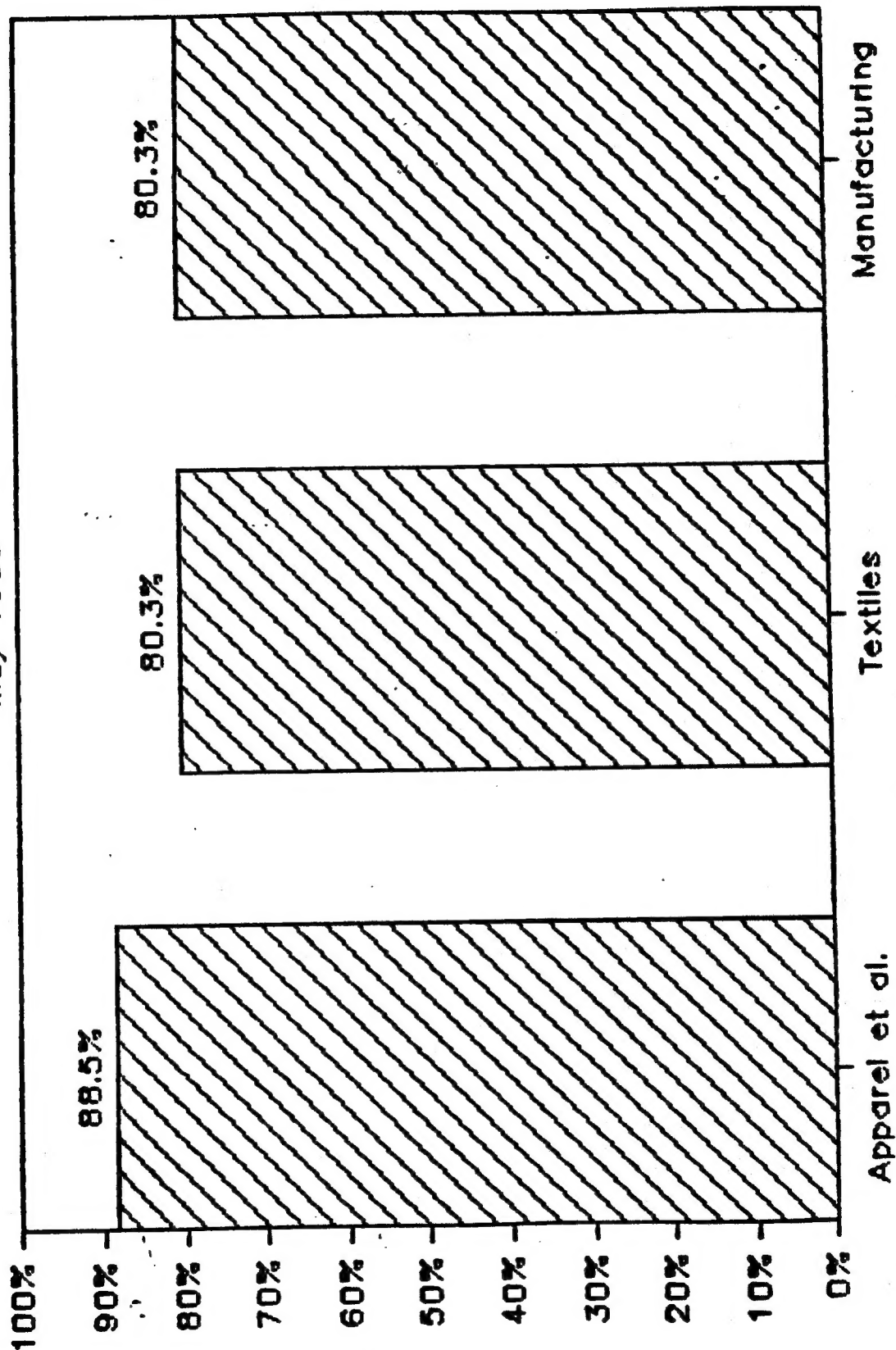
Wages in textiles and apparel are very low; the average hourly wage is \$5.70 in textiles, \$6.67 in apparel, and \$9.48 in all other manufacturing.



Hourly wages in both industries have been declining relative to the manufacturing average since the MFA began.

Capacity Utilization

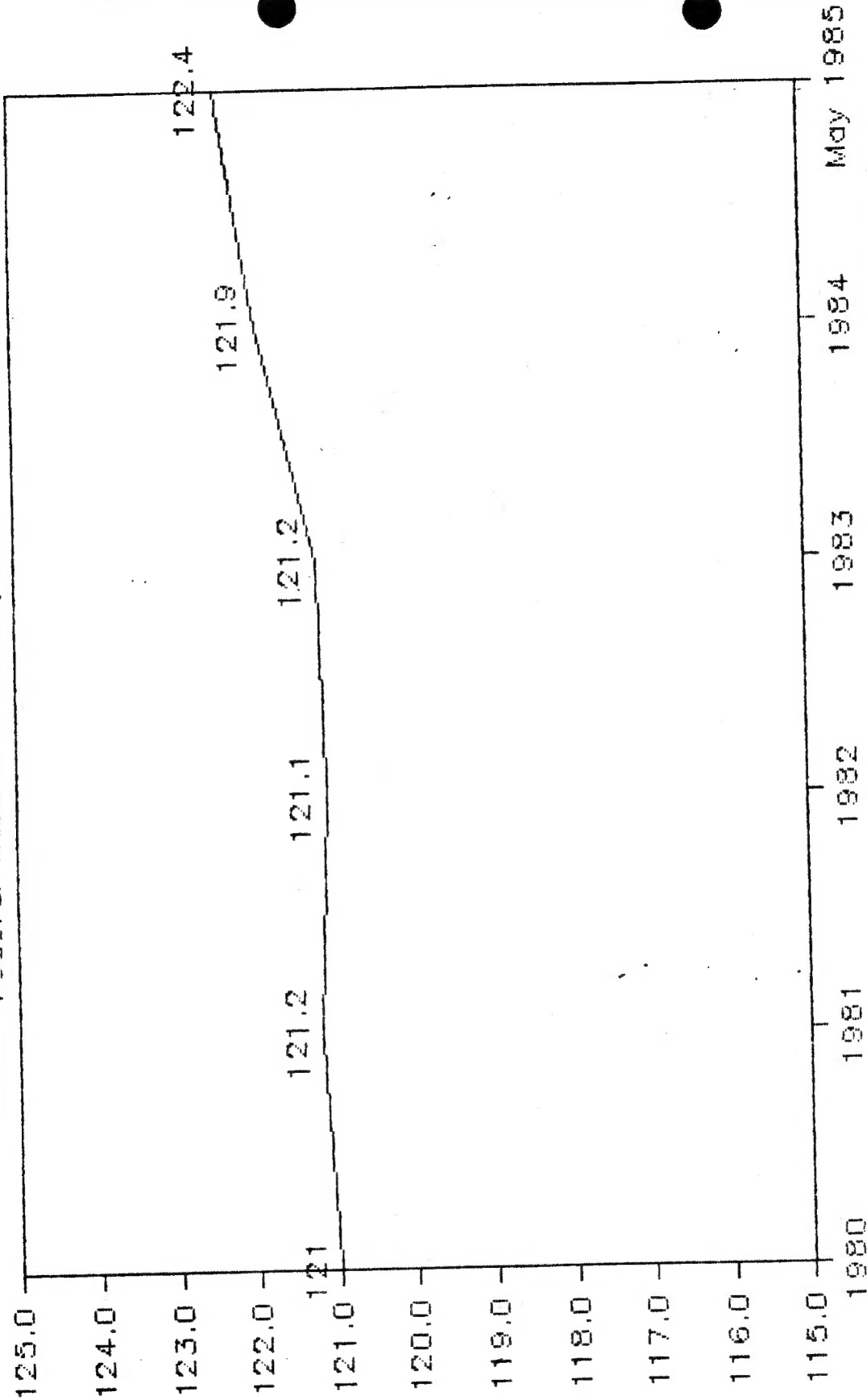
May 1985



Textile and apparel capacity utilization has remained at or above the manufacturing average; increased imports do not seem to be injuring the domestic industry.

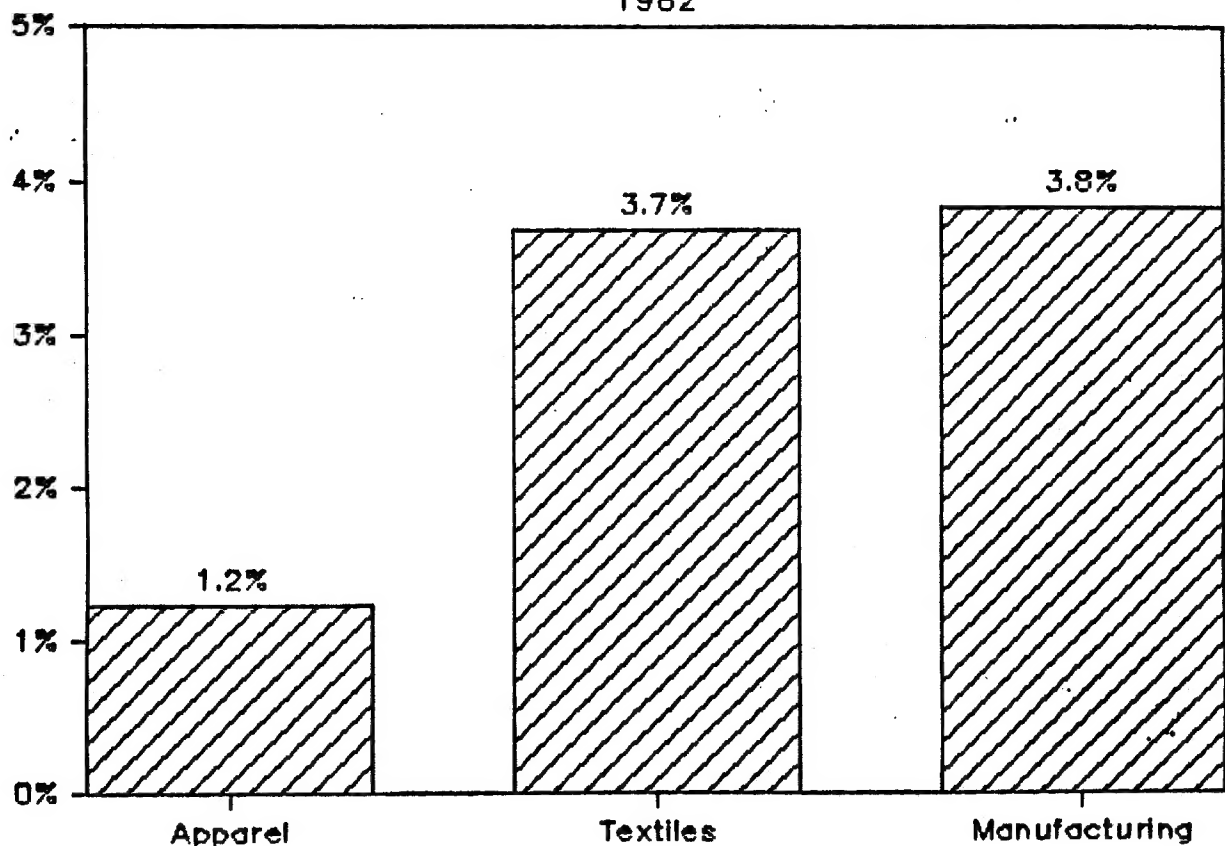
Capacity in Textiles

Federal Reserve Board (1977 = 100)



Capacity in the textile industry continues to increase; any plant closings are more than offset by expansion and new construction.

Investment in New Plant & Equipment 1982



In spite of the apparel industry's lack of competitiveness, investment in new plant and equipment is very low.